

## Message Text

CONFIDENTIAL

PAGE 01 STATE 156841

20

ORIGIN EB-07

INFO OCT-01 ISO-00 /008 R

66616

DRAFTED BY EB:NLPAZDRAL

APPROVED BY EB:NLPAZDRAL

DIST: EB, ISO (ONLY)

----- 036700

R 030106Z JUL 75

FM SECSTATE WASHDC

TO USMISSION OECD PARIS

C O N F I D E N T I A L STATE 156841

PARIS FOR ENDERS AND JULIUS KATZ

FOLLOWING RPEAT LIMA 5273 ACTION SECSTATE DATED 1 JUL 75

QUOTE

C O N F I D E N T I A L LIMA 5273

E.O. 11652: GDS

TAGS: BBAK, PFOR, PE

SUBJECT: EXPROPRIATION OF GULF DEL PERU

REFS: STATE 139936, LIMA 04997, STATE 150516, LIMA 5274

1. I DELIVERED OUR NOTE RE GOP'S RECENT EXPROPRIATION OF GULF OIL DEL PERU TO FONOFF SEC GEN GARCIA BEDOYA YESTERDAY (JUNE 30) WITH CHANGES PREVIOUSLY SUGGESTED BY HIM AND APPROVED BY WASHINGTON. I POINTED OUT DIFFICULTIES INVOLVED IN MAKING THOSE CHANGES PARTICULARLY IN DROPPING THE ADJECTIVE "ARBITRARY" WHICH BOTH IN COMMON AND LEGAL PARLANCE SO APTLY DESCRIBED GOP'S ACTION IN THIS CASE. I EXPRESSED HOPE THAT MESSAGE WITH CHANGES WOULD CARRY IMPORT INTENDED WITHOUT LEADING TO UNDUE INFLAMMATION IN RELATIONS. SEC GEN SAID HE SHARED THIS CONCERN AND WOULD MAKE EVERY EFFORT TO HONE REPLY TO AVOID THIS. HE AGREED THAT NATURE OF GULF EXPROPRIATION COULD HAVE NEGATIVE IMPACT ON FUTURE INVESTMENT DECISIONS RELATED TO PERU

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 156841

AND WE SPECULATED AS TO WHAT TYPE OF ACTION GOP

MIGHT TAKE TO DISPEL IMPRESSION CREATED. THE RESOLUTION OF THE BRANIFF-AEROPERU PROBLEM OCCURRED TO US TO BE A STEP IN THE RIGHT DIRECTION. I CONGRATULATED SECGEN ON THE MEASURED TREATMENT BY PERU'S PRESS OF THIS PROBLEM DURING THE RECENT ROUNDS OF NEGOTIATION AS WELL AS IT COVERAGE OF THE FINAL AGREEMENT WHICH HAS BEEN TREATED AS A JUST SOLUTION OF MUTUAL BENEFIT AND NOT AS A GREAT VICTORY FOR PERU OR DEFEAT FOR THE U.S. OR "THE FORCES OF IMPERIALISM" AS MIGHT HAVE OCCURRED.

2. I MENTIONED THE PROSPECTIVE NATIONALIZATION OF MARCONA IN PERU AS ANOTHER OPPORTUNITY TO DEMONSTRATE PRUDENCE AND REASONABLE TREATMENT OF FOREIGN INVESTMENT. IM EXPRESSED HOPE THAT THE TALKS I UNDERSTOOD WERE CURRENTLY UNDERWAY BETWEEN THE GOP AND MARCONA WOULD LEAD TO A MUTUALLY ACCEPTABLE AGREEMENT. HE SECONDED THIS HOPE.

DEAN  
UNQUOTE  
INGERSOLL

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, NATIONALIZATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE156841  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** NLP AZDRAL  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750230-0410  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750787/aaaaczsq.tel  
**Line Count:** 81  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 139936, 75 LIMA 04997, 75 STATE 150516, 75 LIMA 5274  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 14 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <14 MAY 2003 by ShawDG>; APPROVED <02 OCT 2003 by CunninFX>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EXPROPRIATION OF GULF DEL PERU  
**TAGS:** BBAK, PFOR, PE, GULF DEL PERU  
**To:** OECD PARIS  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006